



RESPONSE TO LOUISIANA PUBLIC SERVICE COMMISSION

REQUEST FOR PROPOSALS 14-18

FOR

INDEPENDENT TECHNICAL CONSULTANT

IN

*Docket No. TBD Cleco Power LLC, Potential Merger  
Transaction*

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**SUBMITTAL DATE:**

November 17, 2014

**SUBMITTAL TIME:**

4:00 P.M.

**PREPARED AND SUBMITTED BY:**

THE SISUNG GROUP  
FOR  
UNITED PROFESSIONALS COMPANY  
201 ST. CHARLES, AVE., STE. 4240  
NEW ORLEANS, LOUISIANA 70170-1048



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**A. EXECUTIVE SUMMARY**

United Professionals Company ("UPC"), a member of the Sisung Group, is pleased to submit its response to the Louisiana Public Service Commission's ("LPSC" or "Commission") Request for Proposals 14-18 for an independent technical consultant ("RFP"). We hope to have the opportunity to serve the Commission on *Docket No. TBD Cleco Power, LLC* ("Cleco" or "the Company") *Potential Merger Transaction* ("Merger" or "Transaction") by assisting Commission Staff in reviewing relevant aspects and issues related to the definitive merger agreement between Cleco and a group of infrastructure investors led by Macquarie Infrastructure and Real Assets ("MIRA") and British Columbia Investment Management Corporation ("bcIMC"), together with John Hancock Financial and other infrastructure investors (collectively, "the Investor Group") and representing the LPSC in these matters at both the Commission-level and before the Federal Energy Regulatory Commission ("FERC") (hereinafter, "this Docket").

UPC is a New Orleans, Louisiana-based financial advisory and consulting company. As a Louisiana-based firm, with the majority of our staff and clients in Louisiana, our awareness of the importance of the issues present in the potential merger transaction cannot be overstated. For this reason, UPC has built a team of mergers and acquisitions, regulatory, utility finance, and economics professionals, the members of which were specifically selected for their ability to serve the needs of the LPSC Staff on this Docket. The UPC consultants who would serve the Commission and Commission Staff in this engagement have a vast amount of experience with analyzing the operations, books and records of utility companies, and LPSC retail ratemaking proceedings and jurisdictional issues, in addition to their knowledge of the appropriate accounting standards and practices for electric utilities and expertise in the areas of regulated utilities mergers and acquisitions.

UPC appreciates this opportunity to respond to the Commission's RFP. Our professionals are excited about the opportunity to serve the Commission and Commission Staff as an independent technical consultant in the potential merger transaction by assisting Staff with reviewing the relevant aspects and issues related to the definitive merger agreement between the Company and the Investor Group. Collectively, our professionals and advisors possess an unmatched knowledge of the Commission's General Order dated March 18, 1994, as well as LPSC jurisdictional issues and Commission regulations applicable to this Docket. The combination of our team members' educational backgrounds, achievements, specific expertise, and practical experience serving the Commission best positions us to provide the LPSC with the most extensive and comprehensive service in this Docket. For more information on our knowledge and experience, please contact the client references that we have provided.

Very truly yours,



R. Lane Sisung  
Managing Director





## **B. RESUME QUALIFICATIONS AND EXPERIENCE**

### **1. The Sisung Group**

UPC is a member of the New Orleans, Louisiana-based Sisung Group, which is comprised of related companies that provide investment banking, asset management, venture capital and business consulting and development services to corporations, individuals, institutions and governmental agencies.

- **United Professionals Company (“UPC”)** offers financial consulting, transaction structuring, business development, real estate development, and revenue and cash flow development services to clients operating in the public, private and non-profit sectors. UPC specializes in the areas of public utility financial and accounting analysis, mergers and acquisitions consulting, healthcare revenue maximization, public infrastructure and facilities development, energy efficiency and project management services.
- **Sisung Securities Corporation (“SSC”)** is a full-service investment banking firm that offers a range of services, including equity and fixed income underwritings, financial advisory services and securities brokerage services in addition to other related financial services. Clients served include public, corporate, retail and institutional entities. SSC is registered with the Securities and Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority (FINRA), the Municipal Securities Rulemaking Board (MSRB) and the Securities Investor Protection Corporation (SIPC).
- **Sisung Investment Management Services (“SIMS”)** provides investment advisory services to corporate and public institutions, as well as to high net worth individuals. SIMS is an investment advisor registered with the Securities and Exchange Commission (SEC).
- **Sisung Capital** provides alternative financing products to small and medium-sized businesses, thus positively impacting economic development in the communities in which it invests. Sisung Capital invests capital and resources in companies in need of funding for growth and profitability. As a licensed Louisiana Capital Company (“CAPCO”) and Business and Industrial Development Corporation (“BIDCO”), Sisung Capital has primarily focused its investments in Louisiana. By leveraging state tax credit incentive programs, Sisung Capital has assisted start-up and expanding Louisiana businesses in raising and investing over \$25 million dollars in communities statewide. Sisung Capital has worked with companies operating in a wide variety of industries including: telecommunications, print manufacturing, construction, weatherization services, oil & gas, healthcare, media and government services sectors.





Unlike most financial firms which focus solely on financial matters, UPC and its affiliated Sisung Group companies have extensive experience in a broad range of financially related areas involving state and local governments. Some of the Sisung Group's unique accomplishments include:

- Providing written and live testimony before the Commission to address and advise the Commission regarding the securitization bonds issued by Entergy Louisiana Investment Recovery Funding I, L.L.C., the designated special purpose entity created by ELL for recovery of the costs related to the Little Gypsy 3 repowering project, and the Commission's issuance of a financing order under Louisiana's 2010 enabling legislation, as codified in LA. R.S. 45:1251-1216.
- Acting as outside consultant to the Commission in reviewing issues related to the evaluation of the proposed transfer of transmission assets in *DOCKET NO. U-32538- Entergy Louisiana, LLC, Entergy Gulf States Louisiana, LLC, Mid South TransCo LLC, Transmission Company Louisiana I, LLC, Transmission Company Louisiana II, LLC, ITC Holdings Corp. and ITC Midsouth LLC, ex parte. In re: Joint Application for Approval of Change of Ownership of Electric Transmission Business, for Certain Cost-Recovery Adjustments, and for Related Relief* and the related dockets before the Federal Energy Regulatory Commission.
- Acting as outside consultants to the Commission in reviewing issues related to the evaluation of *DOCKET NO. 32707- Entergy Gulf States, LLC, In re: Application for Authority to Change Rates, Approval of Formula Rate Plan and for Related Relief* and *DOCKET NO. 32708- Entergy Louisiana, LLC, In re: Application for Authority to Change Rates, Approval of Formula Rate Plan and for Related Relief*.
- Performing financial analysis and rendering testimony on the proposed issuance and securitization of storm recovery bonds, under La. R.S. 45:1331-1328, for permanent rate-financed recovery of system restoration costs related to Hurricanes Isaac and the replenishment of storm reserve escrow accounts in *DOCKET NO. U-32764 Energy Gulf States Louisiana*



*LLC and Energy Louisiana LLC, ex parte. In re: Joint Application for Recovery in Rates of Costs Related to Hurricane Isaac, Determination of Appropriate Storm Reserve Escrow Amounts and Related Relief.*

- Serving as an Outside Technical Consultant in *Docket No. R-26968-LPSC, ex parte, In re: Review of the General Order Dated March 12, 1999* by assisting the Commission in the establishment of a clear definition of “pole attachment,” and thereby clarifying the pedestal issue, clearly defining spacing/measurements of attachments on poles, and evaluating whether the existing pole attachment rental rate formula and rate freeze imposed by the General Order dated March 12, 1999 should continue to remain in effect, and, if not, developing an alternate methodology and verifying a new formula for pole attachment rental rates.
- Serving as an independent technical consultant in *Docket No. I-33013, Southwestern Electric Power Company, ex parte. In re: 2013 Integrated Resource Planning process for SWEPCO pursuant to General Order dated April 20, 2012*, by assisting the LPSC in reviewing and evaluating the Company’s integrated resource plan filings, including comprehensive sets of potential resource options, supply-side, demand-side and economic transmission resource options, to determine a base or “reference resource” plan that offers the most economic and reliable combination of resources satisfying the forecasted load requirements.
- Serving the Commission on *Docket No. R-32975-LPSC, ex parte, In re: Examination of long-term natural gas hedging proposals*, by assisting in: determining whether it is in the public interest for LPSC-jurisdictional investor owned utilities to accept long-term (five, seven, ten and fifteen year), fixed-price hedging proposals for natural gas supply contracts, and if so, determining and/or developing an appropriate methodology for expedited, streamlined Commission approval of such contracts.
- Serving the Commission on *Docket No. R-32138-Wastewater Treatment Systems & Operations, LLC, ex parte. in relation to the request for an increase in water and wastewater rates* by assisting in reviewing, documenting and verifying the upgrades that Wastewater Treatment Systems & Operations, LLC has stated it has made in filings in the above-captioned docket.
- Assisting the Commission on *Docket U-33244 Entergy Louisiana, LLC (“ELL”) and Entergy Gulf States Louisiana, LLC (“EGSL”), ex parte, In re: Submission of Business Combination Study regarding potential business combination* by assisting Commission Staff in reviewing the technical and jurisdictional issues related to the Commission review of the Companies’ Application.
- Working with Louisiana’s legislative leadership to design a proposed capital outlay revolving loan program to expand capital outlay capacity by leveraging State funds and engaging local government financial participation in capital outlay funding through low cost loans.





- Customizing a cash flow model for Jefferson Parish which establishes protocols for transfers between checking and operating accounts and maximizes investment revenue for a parish-wide pooled cash fund.
- Developing and implementing innovative strategies to assist healthcare providers, local governments, and the Louisiana Department of Health and Hospitals (“DHH”) to finance services through utilization of unused Medicaid Upper Payment Limit Caps (“UPL’s”), Certified Public Expenditures (“CPE’s”), Intergovernmental Transfers (“IGT’s”) and Public Private Partnerships (“PPP’s”).
- Design and administrative management of a statewide financing and construction program for the Louisiana Community and Technical College System including budgeting, accounting, financial advisory services for bond issues, construction fund investment management, board presentations, and other administrative services.
- Proposing and obtaining passage of legislation to allow political subdivisions to diversify their investments into low risk municipal bonds in order to increase investment earnings, and successful implementation and management of such investment programs for our clients.
- Modeling net state tax-supported debt and providing sensitivity analysis and recommendations to the state of Louisiana, Office of the Governor, Division of Administration (“DOA”) regarding the timing and sizing of state debt issues to fund capital outlay needs.
- Comprehensive student housing-related services for the University of Louisiana System, including analysis of needs, financial forecasting, developer solicitation and evaluation/selection, underwriter solicitation and evaluation/selection advisory services for bond issuance, construction fund investment management, review of operating results, and oversight of developer/manager’s ongoing operations.
- Serving the state DOA by providing financial advisory services on an “on-call” basis.
- Assisting the state of Louisiana in securing \$83.5 million to support TOPS scholarships for Louisiana’s young people through acting as financial advisor for the refinancing of the state’s tobacco settlement bonds.

As demonstrated by the above, our professionals are highly experienced in multifaceted areas, including financial analysis, program design, government relations, legislative advocacy, policy initiatives, financing transactions, and legal and regulatory budgeting, planning and administration.

Provided below are a list of five (5) references who can speak on behalf of the Sisung Group’s abilities, integrity, and professional reputation in acting as financial advisor to a private or governmental entity.





Client	Lead Contact	Telephone
Jefferson Parish	Chris Roberts Parish Council Chairman	(504) 736-6615
Louisiana Community and Technical College System	J Dr. Monty Sullivan President	(225) 922-1643
West Jefferson Medical Center (Jefferson Parish Hospital Service District No. 1)	Nancy Cassagne CEO	(504) 349-1102
Louisiana Local Government Environmental Facilities and Community Development Authority (LCDA)	Ty Carlos Executive Director	(225) 924-6150
State of Louisiana, Office of the Governor, Division of Administration	Ben Huxen Chief Advisor to the Commissioner of Administration	(225) 342-7058

More information on The Sisung Group is also available at [www.sisung.com](http://www.sisung.com).

## 2. United Professionals Company

UPC, which manages the Sisung Group's non-regulated financial advisory and consulting activities, provides clients operating in the public, private and non-profit sectors with a broad range of services from its offices in New Orleans, Covington, and Baton Rouge. These services include, but are not limited to: financial analysis, transaction structuring, business plan development, real estate development, and revenue maximization. UPC's public sector clients include state governments, parish and county governments, cities, towns, state utility regulatory authorities, school districts, hospitals, levee districts, housing authorities, universities, port authorities, law enforcement districts, charter schools and more.

UPC and its affiliated Sisung Group companies are multifaceted and have extensive experience in a broad range of financially-related areas involving state and local government throughout Louisiana. UPC's dedicated and accomplished staff includes previously high-ranking government and financial institution officials with extensive management and financial experience, in addition to:

- Investment Bankers
- Securities Traders
- Financial Analysts
- Attorneys
- Certified Public Accountants
- Regulatory Economists
- Published Academics
- Former Public Administrators



Our professionals are highly educated, experienced, and published in multidisciplinary areas including:

- Financial Analysis
- Program Design
- Government Relations
- Legislative Advocacy
- Policy Initiatives
- Financing Transactions
- Legal and Regulatory Budgeting, Planning, and Administration

Successfully utilizing the strengths, talents and expertise of our seasoned professionals, we are able to provide customized, quality service to our clients. Our professionals have represented local, state and federal issuing authorities, cities, parish and county governments, hospital districts, 501(c)(3) corporations, state agencies, state governments and commissions, and corporations.

As a specialty branch of these financial advisory and consulting services, UPC has built a team of regulatory and utility finance and economics professionals, the members of which were specifically selected for their ability to serve the needs of the LPSC. Our staff of professionals and consultants is experienced in analyzing in-depth the operations, books, and records of utility companies and qualified to analyze and render expert testimony with respect thereto, including but not limited to such matters as:

- Appropriate accounting standards and practices for electric public utilities, public utility accounting, and generally accepted auditing standards;
- LPSC and FERC approved cost-of-service cost methodologies for electric utilities;
- Applicable LPSC orders including, but not limited, to the 1994 General Order, as well as any applicable FERC rules and regulations;
- Corporate separation requirements, ring-fencing mechanisms, corporate money pool restrictions, and other appropriate tests for the separation of investment and expenses between generation, transmission and distribution operations;
- Cost allocation methodologies for the allocation of investment and expenses among affiliates, including the relationship of the holding company to its subsidiary operating companies, the transfer of investment and costs between operating companies, and the provision of services among affiliates;
- Allocation of investment and expenses between the non-regulated and regulated operations at the holding company and at the operating company levels;
- Major issues surrounding electric utility mergers, including: realizing merger-related savings for Louisiana ratepayers; treatment of acquisition premium(s) and cost(s); and



developing ratepayer protection mechanisms such as omnibus hold harmless provisions, savings guarantees, rate-of-return ratepayer protection, and most favored nation status; and

- Acquisitions of public utilities by non-utility financial entities.

UPC's team of regulatory and utility finance and economics professionals is well qualified to provide the services that the LPSC has requested in Request for Proposal 14-18, including:

- Analyzing the impact of the potential merger transaction on Cleco Power's reliability, rates, and services.
- Drafting and assisting in the drafting of data requests;
- Analyzing data responses;
- Participating in formal status conferences, pre-trial conferences, depositions, hearings, and public meetings before the Commission;
- Drafting, preparing, and defending direct testimony and any answering testimony in support of Staff's ultimate recommendations, together with exhibits supporting the testimony;
- Assisting in the drafting of applicable motions, exceptions, post-hearing briefs or filings, briefing sheets, and orders of the Commission as may be necessary;
- Appearing at and participate in informal conference calls, meetings, settlement discussions, and/or mediations; and
- Attending and testifying at any LPSC Business and Executive Session(s) or FERC proceeding(s) that the Staff deems necessary.

Our experience serving the LPSC in prior dockets has left our professionals intimately familiar with transferrable topics applicable to this Docket, including return on equity, capital structure, inter- and intra-class allocations, expenses recognized for rate making purposes, development of rate base, rate design, depreciation, and taxation. All members of our team are experienced in the operations, books and records of utility companies and have knowledge of:

- Louisiana Public Service Commission ratemaking and jurisdictional issues;
- Experience in all aspects of electric utility retail ratemaking proceedings; and
- Knowledge of appropriate accounting standards and practices for electric utilities.
- Commission General Order dated March 18, 1994
- Applicable FERC rules and regulations
- Electric utility formula rate plans

UPC has built a team with extensive practical experience in the field of public utility regulation that includes similar practice before the LPSC and other regulatory agencies. Our professionals have significant experience in the presentation of recommendations involving public utility





regulation and other regulatory issues on administrative and judicial levels. We are qualified and prepared to review all documentation submitted by any party to the proceeding on any and all issues that are likely to arise in the proceeding. All members of our team have been handpicked for their ability to formulate issues and ultimate recommendations in this Docket. Collectively, UPC professionals possess a full understanding of and ability to analyze the relief sought by the Companies in their Application.

The resumes of our highly qualified staff of professionals and expert consultants who would be assigned to assist the Commission, as well as the functions that would be performed by each, are detailed in *Appendixes A*. We have included a full resume for each staff member and consultant who will be assigned to work on this Docket, including names, positions, education, and professional experience.



## C. PLAN OF ACTION

### 1. Methodology

The methodology that UPC proposes to utilize in serving the LPSC in this Docket leverages our team's in-depth understanding of Commission and state of Louisiana law and regulatory precedent, the regulatory process, and our specially-selected consultants' prior experience serving in similar dockets. The UPC approach uses a collaborative, standardized methodology that ensures efficiency, effectiveness, and proper controls.

### 2. Approach

If UPC is selected as the Commission's independent technical consultant, our staff will work closely with Commissioners and Commission Staff in reviewing all relevant aspects and issues related to the definitive merger agreement between Cleco and the Investor Group, including whether they have met the criteria and requirements set forth in Commission General Order dated March 18, 1994. Specifically, UPC would assist the Commission and Commission Staff in determining whether the Company and Investor Group have met their burden of proving that the following criteria of the Commission General Order dated March 18, 1994 have been satisfied:

1. *Whether the transfer is in the public interest*
2. *Whether the purchaser is ready, willing and able to continue providing safe, reliable and adequate service to the utility's ratepayers*
3. *Whether the transfer will maintain or improve the financial condition of the resulting public utility or common carrier ratepayers*
4. *Whether the proposed transfer will maintain or improve the quality of service to public utility or common carrier ratepayers*
5. *Whether the transfer will provide net benefits to ratepayers in both the short term and the long term and provide a rate making method that will ensure, to the fullest extent possible, that ratepayers will receive the forecasted short and long term benefit*
6. *Whether the transfer will adversely affect competition*
7. *Whether the transfer will maintain or improve the quality of management of the resulting public utility or common carrier doing business in the state*
8. *Whether the transfer will be fair and reasonable to the affected public utility or common carrier employees*
9. *Whether the transfer would be fair and reasonable to the majority of all affected public utility or common carrier shareholders*
10. *Whether the transfer will be beneficial on an overall basis to State and local economies and to the communities in the area served by the public utility or common carrier*



- 11. Whether the transfer will preserve the jurisdiction of the Commission and the ability of the Commission to effectively regulate and audit public utility's or common carrier's operations in the State*
- 12. Whether conditions are necessary to prevent adverse consequences which may result from the transfer*
- 13. The history of compliance or noncompliance of the proposed acquiring entity or principals or affiliates have had with regulatory authorities in this State or other jurisdictions*
- 14. Whether the acquiring entity, persons, or corporations have the financial ability to operate the public utility or common carrier system and maintain or upgrade the quality of the physical system*
- 15. Whether any repairs and/or improvements are required and the ability of acquiring entity to make those repairs and/or improvements*
- 16. The ability of the acquiring entity to obtain all necessary health, safety and other permits.*
- 17. The manner of financing the transfer and any impact that may have on encumbering the assets of the entity and the potential impact on rates*
- 18. Whether there are any conditions which should be attached to the proposed acquisitions*

To properly perform the above-described analysis, UPC would conduct a thorough proprietary due diligence review of the Potential Merger Transaction, which the Sisung Group has developed based on its mergers and acquisitions experience from representing various entities in M&A transactions over 20 years. Please see the Attached *Appendix B*, which is proprietary information and we would requested to be kept as confidential, to exhibit the due diligence process UPC would engage to provide the Commission with the information it should have in order to make the proper informed decision with regards to the potential merger transaction.

Detailed below is an outline of UPC's proposed action plan for assisting the Commission in this Docket. UPC fully understands, however, that if chosen, the Commission and its Staff shall determine how the tasks will be carried out.

### **3. Scheduling Outline**

The RFP calls for two distinct representation phases and periods. As such, keeping with the Commission's wishes, the following is broken out into two separate phases set to conclude with the six through twelve month period of representation suggested by the Commission in RFP 14-18.



## **I. Phase I:**

UPC envisions Phase I as entailing our team of consultants and advisors assisting Staff in its review of the potential merger transaction, coordinating with counsel and consultants for Cleco and the Investor Group, and addressing topics of consideration that will need to be addressed in the anticipated application. During Phase I, UPC would:

- Meet and work with Commissioners, Commission Staff, and parties to establish and distribute a list of the professionals participating in the process and their contact information
- Analyze the impact of the potential merger transaction on Cleco Power's reliability, rates, and services.
- Draft and assist in the drafting of data requests;
- Track and analyze responses to data requests
- Analyze data responses;
- Prepare any technical analysis as required by Staff
- Plan and participate in technical conferences
- Participate in formal status conferences, pre-trial conferences, depositions, hearings, and public meetings before the Commission and FERC;
- Draft, prepare, and defend direct testimony and any answering testimony in support of Staff's ultimate recommendations, together with exhibits supporting the testimony;
- Assist in the drafting of applicable motions, exceptions, post-hearing briefs or filings, briefing sheets, and orders of the Commission as may be necessary;
- Appear at and participate in informal conference calls, meetings, settlement discussions, and/or mediations; and
- Attend and testify at any LPSC Business and Executive Session(s) or FERC proceeding(s) that the Staff deems necessary.

In performing the above, we would leverage our team's strong financial background, as well as our knowledge of LPSC jurisdictional issues, regulated utilities, and transactional-based legal issues.

## **II. Phase II:**

UPC anticipates Phase II being subdivided into two sub phases or individual components. Each of these two sub phases or individual components would entail UPC assisting Staff in reviewing the Company's and the Investor Group's Application seeking regulatory approval of the transaction, if filed, from and before the LPSC and the FERC, respectively.

At the LPSC level, Phase II would entail UPC reviewing the Application filed by the Company and Investor Group, as well as the testimony filed by the Company and Investor Group in support of their Application. Our team of consultants and advisors would assist Staff in the preparation of





discovery and other tasks normally associated with the evaluation and pre-hearing process, prepare and defend direct testimony, participate in certification hearings, and make recommendations to the Commission. UPC would also assist Staff in the preparation of any post-hearing briefs or filings, assist in any settlement discussions, mediations, and/or stipulation hearings and attend and appear at the Commission's Business and Executive Sessions. Our team members, throughout Phase II, would:

- Prepare and direct and cross answering testimony, and prepare to be cross-examined, with respect to all of the issues which are likely to arise in the proceeding
- Assist in the drafting of applicable motions, exceptions, briefing sheets and orders of the Commission as may be necessary
- Draft memoranda and/or reports, together with exhibits supporting the memoranda on pre-filed testimony
- Assist in hearing preparation, as applicable
- Coordinate with Commission and Commission Staff
- Participate in a hearing and make a recommendation to the Commission by providing testimony and being cross-examined
- Assist in the drafting of applicable motions, exceptions, briefing sheets and orders of the Commission as necessary
- Assist Staff in the preparation of post-hearing briefs or filings
- Assist in any settlement discussions and/or stipulation hearings
- Attend and testify at the Commission's Business and Executive Sessions as needed

At the FERC level, Phase II would entail UPC reviewing and advising Staff and Staff's counsel on any and all filings made by the Company and Investor Group at the FERC, as well as:

- Participating in formal status conferences, pre-trial conferences, depositions, hearings, and public meetings before the FERC;
- Drafting, preparing, and defending direct testimony and any answering testimony, together with exhibits supporting the testimony, in support of the LPSC's position;
- Assisting in the drafting of applicable motions, exceptions, post-hearing briefs or filings, briefing sheets as may be necessary;
- Appearing at and participating in informal conference calls, meetings, settlement discussions, and/or mediations; and
- Attending and testify at any FERC proceeding(s) that the Staff and/or Staff's counsel deems necessary.

We would continue to leverage our team's expertise in public utilities law, finance analysis, and regulatory economics, as well as our in-depth knowledge of Louisiana public utilities throughout the entirety of this process, placing it at the disposal of those involved.





#### **4. Workload Management and Distribution**

R. Lane Sisung and Paul T. Chastant, III will serve as contacts to LPSC, with Mr. Sisung serving as the primary contact. Mr. Sisung and the team will remain in constant contact with Commissioners, Commission Staff, and intervening parties regarding any and all material matters so as to together provide seamless coverage for the LPSC. Together we will work with Commissioners, Commission Staff and intervening parties to assess needs, determine deliverables and timelines, coordinate our firm's resources, and schedule meetings with the LPSC and other parties to provide analysis and advice.

UPC's staff utilizes a collaborative and fluid team approach. Mr. Sisung will draw upon our individual team members' expertise as needed for understanding and edification of individual issues. We may also add expertise throughout the engagement as needed. By assigning the proper specialist to individual issues as they arise, with Mr. Sisung acting as program administrator, we will be able to effectively meet LPSC's needs. All of this resource coordination will take place seamlessly to the Commission.

#### **5. Action Plan Conclusion**

UPC has included this preliminary work plan as reference for discussion with the Commission to demonstrate that we have identified the major tasks needed to successfully complete the work necessary in this Docket. This preliminary work plan will form the basis of the detailed work plan that will be agreed upon with Commission Staff and used to perform this assignment. We believe that our process ensures that the work products and deliverables will exceed the quality standards that the LPSC expects from the independent technical consultant awarded this contract.



#### **D. COST PROPOSAL**

UPC is pleased to submit the following price proposal to the Commission for consideration.

We estimate that the total cost of labor for the completion of this Docket would not exceed \$535,000 **for the twelve (12) month maximum** Period of Representation (\$85,000 during Phase I and \$250,000 during Phase II for LPSC-related professional fees and \$15,000 during Phase I and \$185,000 during Phase II for FERC-related professional fees). Our rates per hour vary per consultant from \$150.00/hour to \$400.00/hour, however due to the vast amount of resources necessary for the efficient and successful implementation of this Docket UPC would agree to discount certain professional's rates, and not to charge any consultant rate for this Docket at an amount greater than \$285.00/hour.

**Our total labor cost estimate is based on the maximum estimated costs necessary to provide the Commission with the services of a dedicated team of finance professionals and specialty utility regulatory consultants for the Period of Representation.**

The assigned staff and consultants includes two mergers and acquisitions attorneys, three investment bankers, a Certified Public Accountant and Certified Mergers and Acquisitions Advisors, and a team consisting of regulatory economists and utility experts with prior experience in regulated utility merger and mergers and acquisitions public interest determinations.

**If this project were to take less consulting hours than the hours on which we have based our bid, our total cost would be reduced accordingly.**

We estimate that the total expenses necessary for the completion of the project would not exceed \$30,000 (\$2,000 during Phase I and \$12,000 during Phase II for LPSC-related expenses and \$1,000 during Phase I and \$15,000 during Phase II for FERC-related expenses). These costs reflect our estimate of the travel and lodging costs of experts over a twelve (12) month Period of Representation. UPC would request reimbursement for only those travel-related expenses that are actually incurred, in accordance with the Travel Policies and Procedures Memorandum issued by the state of Louisiana, Division of Administration in effect at the time such expenses are incurred ("Allowable Expenses"). Expenses would be separately disclosed with proof of such expenses attached. Any expenses that exceed the Allowable Expenses would be borne by UPC, unless otherwise specified by the Commission.

We estimate that the total cost of labor and expenses for the completion of would not exceed \$565,000 (\$535,000 of professional fees + \$30,000 of expenses), which can be broken out as \$103,000 for Phase I (\$100,000 of Labor + \$3,000 of expenses) and \$462,000 for Phase II (\$435,000 of professional fees + \$27,000 of Expenses).

If selected, UPC bills would be rendered in strict accordance with the Commission's guidelines. UPC would only charge for actual hours of work performed and costs incurred. All UPC bills would be rendered monthly, and specifically identify and describe all work performed, the person performing





such work, the time and charge for such work, and show the total amount billed to date and the authorized original estimate, in accordance with the Commission's August 4, 2004 General Order.

DOCKET NO. TBD <i>Cleco, LLC Potential Merger Transaction</i>			
	Professional Fees	Expenses	Total
Phase I			
LPSC-Related Professional Fees and Expenses	\$ 85,000.00	\$ 2,000.00	\$ 87,000.00
FERC-Related Professional Fees and Expenses	\$ 15,000.00	\$ 1,000.00	\$ 16,000.00
Phase I Total	\$ 100,000.00	\$ 3,000.00	\$ 103,000.00
Phase II			
LPSC-Related Professional Fees and Expenses	\$ 250,000.00	\$ 12,000.00	\$ 262,000.00
FERC-Related Professional Fees and Expenses	\$ 185,000.00	\$ 15,000.00	\$ 200,000.00
Phase II Total	\$ 435,000.00	\$ 27,000.00	\$ 462,000.00
Total Professional Fees and Expenses	\$ 535,000.00	\$ 30,000.00	\$ 565,000.00





**E. CONFLICTS OF INTEREST**

Neither the Sisung Group, nor UPC has knowledge of any conflicts of interest that would impair our ability to serve the Commission in this Docket. Below are outlined disclosures that do not present any conflicts of interest, but are being included for the purpose of full disclosure.

1. SSC presently serves the State of Louisiana, Office of the Governor, Division of Administration through acting as a financial advisor, on an “on call” basis.



## **F. OTHER CURRENT REPRESENTATIONS**

Below are outlined a list of other matters in which we currently represent the Commission:

1. UPC is presently representing the Commission in *DOCKET NO. ER13-948* before the Federal Energy Regulatory Commission.
2. UPC also presently represents the Commission in *DOCKET NO. U-32707- Entergy Gulf States, LLC, In re: Application for Authority to Change Rates, Approval of Formula Rate Plan and for Related Relief* and *DOCKET NO. U-32708- Entergy Louisiana, LLC, In re: Application for Authority to Change Rates, Approval of Formula Rate Plan and for Related Relief* compliance dockets.
3. SSC presently represents the Commission in *DOCKET NO. U-32764 Energy Gulf States Louisiana LLC and Energy Louisiana LLC, ex parte. In re: Joint Application for Recovery in Rates of Costs Related to Hurricane Isaac, Determination of Appropriate Storm Reserve Escrow Amounts and Related Relief* (“Joint Application”), specifically the securitization phase.
4. UPC also presently serves as an independent technical consultant in *Docket No. I-33013, Southwestern Electric Power Company, ex parte. In re: 2013 Integrated Resource Planning process for SWEPCO pursuant to General Order dated April 20, 2012.*
5. UPC also presently serves as an independent technical consultant in *Docket No. R-32975-LPSC, ex parte, In re: Examination of long-term natural gas hedging proposals.*
6. UPC also presently serves as an outside contract consultant to the Commission on *Docket No. R-32138-Wastewater Treatment Systems & Operations, LLC, ex parte. in relation to the request for an increase in water and wastewater rates.*
7. UPC also presently serves as an independent technical consultant in *Docket U-33244 Entergy Louisiana, LLC (“ELL”) and Entergy Gulf States Louisiana, LLC (“EGSL”)* [(hereinafter conjunctively referred to as “the Companies”)], *ex parte, In re: Submission of Business Combination Study regarding potential business combination.*



## G. CONCLUSION

UPC appreciates this opportunity to respond to the Commission's RFP to serve as an independent technical consultant to potentially assist Commission Staff in reviewing all relevant aspects and issues related to the definitive merger agreement between Cleco and the Investor Group and representing the LPSC in these matters at both the LPSC and before the FERC. As detailed in the sections above, UPC and its affiliated Sisung Group companies are multifaceted and have extensive experience in a broad range of financially-related areas involving state and local governments. Because we are a Louisiana firm, all of whose employees are Louisiana residents, we take great pride in any and all work that we do that benefits the people of our state, and we believe serving the Commission in this Docket would provide just such an opportunity.

Our organization has extensive practical experience in the field of public utility regulation that includes similar practice before the LPSC and other regulatory agencies. UPC has built a team of hand-picked mergers and acquisitions, regulatory, utility finance and economics professionals and advisors specifically for their ability to serve the needs of the LPSC in this Docket. Together, the UPC consultants who would serve the Commission and Commission Staff in this engagement have a vast amount of experience with analyzing the operations, books and records of utility companies, and LPSC retail ratemaking proceedings and jurisdictional issues, as well as knowledge of the appropriate accounting standards and practices for electric utilities and expertise in the areas of regulated utilities mergers and acquisitions.

Our professionals have a distinctive style that encourages personal service, excellence and integrity, while our local presence offers the LPSC the benefits of geographic proximity and a wealth of institutional knowledge. Indeed, our robust understanding of Louisiana's laws, regulations, procedures, organization, political environment and financial position, as well as our experience serving the Commission in its review of prior dockets would allow us to be immediately effective in this engagement by virtue of not having to overcome the learning curve that any other firm might encounter. We believe that the combination of our professionals' experience, our local Louisiana presence, our national expertise, and our proven track record of nearly thirty years of exceptional quality and integrity in our dealings offers the Commission an excellent choice for an independent technical consultant to assist in this Docket.





Response to Louisiana Public Service Commission Request for Proposals for an Independent Technical Consultant

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## **Appendix A: Resumes of Professionals Assigned to RFP 14-18**







**LAWRENCE J. SISUNG, JR.**

Mr. Sisung earned a Bachelor's degree in Business Education and Accounting and a Master's degree in Administration, Supervision, and Statistics from Northwestern State University.

Mr. Sisung is a fully licensed General Securities Representative (Series 7), General Securities Principal (Series 24), Municipal Securities Principal (Series 53), Direct Participation Program Principal, Financial and Operations Principal (Series 27), Government Securities Principal and a Registered Investment Adviser Representative (Series 65), Investment Banking Representative (Series 79). Mr. Sisung is also a licensed real estate agent and broker with the state of Louisiana. He also holds a license as an insurance agent with the state of Louisiana.

Prior to forming The Sisung Group, Mr. Sisung worked in the public sector for over 20 years, eight of which he served as the Superintendent and Chief Executive Officer of the 35th largest school district in the United States. In this position he oversaw over 7,000 employees, 75,000 students and managed multi-million dollar operating and capital budgets. Mr. Sisung was able to take an early retirement from public service and use his experiences to form The Sisung Group. He has now amassed over four decades of finance, management and development experience as an executive, issuer, project manager, financial adviser, investment consultant, underwriter, asset manager, venture capitalist, real estate developer and general business consultant.

As President of Sisung Securities Corporation, Mr. Sisung has served on underwriting and financial advisory teams that have secured billions in funds. As a managing member of Sisung Investment Management Services, LLC, he has led the acquisition of hundreds of millions of dollars in assets for management and is responsible for the development of the firm's Tactical Asset Allocation investment approach. As a managing member of Sisung Capital, LLC, Mr. Sisung has created a company dedicated to providing alternative financing to small businesses so as to have a positive impact on their economic futures as well as those of the communities in which they reside. As a managing member of United Professionals Company, LLC, Mr. Sisung has created a firm that provides comprehensive assistance and solutions in the areas of business development and real estate projects.

Mr. Sisung is a member of numerous professional and business organizations and has served on FINRA's Business District Conduct Committee and as an arbitrator for FINRA.

Mr. Sisung will assist the LPSC by advising and consulting on an as needed basis.



**ROBERT LANE SISUNG**

Mr. Sisung has over two decades of experience in financial, real estate and investment transactions. His most recent projects include successful development and implementation of the Healthcare Finance Consulting and Film Finance business lines for the Sisung Group. The Healthcare Finance Consulting line involves work with governmental entities and healthcare providers to maximize Federal Participation for eligible Medicaid expenditures. The Sisung Group's work in these endeavors has yielded its clients tens of millions of dollars in annual recurring benefits.

The Film Finance line is focused on investing in film tax credit incentives, secured distribution agreements, gap financing of unsold territories and mezzanine loans. In its first year of operations, under the leadership of Mr. Sisung, the Sisung Group has committed to millions of dollars in film investments. Mr. Sisung's previous endeavors include the successful creation, development and implementation of the corporate finance and mergers and acquisitions operations of Sisung Securities Corporation; the creation and operations of Sisung Capital that include raising and investing millions of dollars in venture capital funds in Louisiana; and the growth and management of over \$1 billion dollars in assets under management in Sisung Investment Management Services. Mr. Sisung also manages and directs all Sisung Group real estate, project management, and business development projects ranging from large-scale multi-use developments to multi-facility capital infrastructure projects. Mr. Sisung sits on the investment committee for Sisung Investment Management Services, LLC and also serves as in-house counsel for the five Company that comprise the Sisung Group.

Mr. Sisung earned a Bachelor of Science degree in Accounting from Louisiana State University. After graduation, he sat for and passed the Certified Public Accountant exam and subsequently attended Loyola University Law School where he earned a Juris Doctorate. After law school, Mr. Sisung earned an LLM in Tax Law from the University of Florida. Mr. Sisung is a fully licensed General Securities Representative (Series 7), General Securities Principal (Series 24), Municipal Securities Principal (Series 53), Options Principal (Series 4), Financial and Operations Principal (Series 27), and Registered Investment Adviser (Series 65), Investment Banking Representative (Series 79). Mr. Sisung is also a licensed insurance agent in the state of Louisiana and is a member of the Louisiana State Bar.

Mr. Sisung will serve as the primary point of contact for the LPSC. He will be responsible for coordinating and managing all of our firm's resources for LPSC.



**LAWRENCE J. SISUNG, III**

Mr. Sisung holds a Master of Business Administration degree with a concentration in economics from Southeastern Louisiana University.

Mr. Sisung is a fully licensed General Securities Representative (Series 7), General Securities Principal (Series 24), Municipal Securities Principal (Series 53), Financial and Operations Principal (Series 27) and Government Securities Principal, Investment Banking Representative (Series 79). Mr. Sisung is also a licensed real estate agent in the state of Louisiana

Mr. Sisung has spent over twenty years representing governmental agencies, political subdivisions, corporations and not-for-profit organizations at the local, state and national levels in the capacity of investment banker, financial advisor, policy advisor and securities structuring agent on billions of dollars of capital financings. He has extensive experience in financial analysis, creative transaction structuring and bringing transactions to market and is currently serving as a financial advisor to the state of Louisiana Division of Administration for state debt. Working in the capacity of investment banker, financial advisor or structuring agent, Mr. Sisung has participated in hundreds of municipal and private tax-exempt and taxable transactions that have brought billions of dollars of debt funding to public agencies. Within the state of Louisiana, he has represented almost every type of qualified issuing authority and has created new financing structures that have changed how certain state agencies raise capital.

In March, 2011, Mr. Sisung provided testimony in his capacity as financial adviser on behalf of the Commission in Docket No. U-30912 (Phase III) that resulted in securitization of over \$200 million in Little Gypsy cancellation costs of an interest rate of about 2%. Since the early 1990's Mr. Sisung has provided written affidavits and testified extensively before the Louisiana State Bond Commission, the State's commission from which state, local and conduit issuers must obtain constitutionally mandated regulatory approval to issue debt. He has also testified before legislative oversight committees in matters dealing public benefit and security transactions.

Mr. Sisung will assist the LPSC by advising and consulting on an as needed basis.



**JOHN MAYEAUX**

Mr. Mayeaux holds a Master of Business Administration degree with a concentration in finance in addition to a Bachelor of Science degree in computer science, both from Tulane University. He is a FINRA licensed General Securities Representative (Series 7) and a Municipal Securities Representative (Series 52), Investment Banking Representative (Series 79). Prior to joining Sisung Securities, Mr. Mayeaux worked in investment banking and commercial banking roles for several regional banks.

Mr. Mayeaux currently serves as Senior Vice President for The Sisung Group. His primary duties are with the Capital Markets Group at Sisung Securities. He is responsible for originating and structuring taxable and tax-exempt bond investment banking transactions; for structuring and pricing of interest rate derivatives; and for developing and structuring new and unique financing structures for the firm. He is exceptionally skilled in quantitative financial analysis and complex financial structuring.

Mr. Mayeaux has served as investment banker or financial advisor to Louisiana governmental agencies, 501(c)(3) non-profit organizations, and for-profit businesses since 1996. He is particularly focused on providing financing for capital projects for elementary, secondary and higher education clients. He has served as financial advisor for state debt to the State of Louisiana Division of Administration. He has also served as special consultant and provided testimony to the Louisiana Public Service Commission.

Mr. Mayeaux has created and implemented ground-breaking pooled financing programs for his clients. He has also completed numerous financings for state-sponsored special purpose economic development projects and for Company seeking taxable and tax-exempt industrial revenue bond financing. He is among the leading investment professionals in Louisiana for innovative lease/appropriation secured nonprofit financings.

Additionally, Mr. Mayeaux is a member of the Sisung Investment Management Services investment committee on which he specializes in municipal securities and advises on portfolio strategy. He also serves on the board of directors of Sisung Capital.

Mr. Mayeaux will assist the LPSC by advising and consulting on an as needed basis.





### **PAUL THOMAS CHASTANT, III**

Mr. Chastant holds a Bachelor of Science in Accounting and a Minor in History from Louisiana State University. He also holds a Juris Doctor from Tulane University Law School. Mr. Chastant is a member of the Louisiana State Bar, a Certified Public Accountant licensed to practice in Louisiana, and a Certified Mergers and Acquisitions Advisor.

Mr. Chastant has accounting and financial advisory consulting experience in areas that include external audit, acquisition due diligence, revenue and expenditure growth projection, litigation support, and business valuation, gained while working as a Financial Consulting and External Audit Staff Accountant with Postlethwaite & Netterville, one of the largest accounting firms in the state of Louisiana. In this position, he assisted publicly traded companies' internal audit departments in assessing European foreign corporate subsidiaries' compliance with Sarbanes-Oxley Act reporting requirements. His financial consulting experience ranges from constructing detailed financial accounting and reporting policies and procedures manuals for clients to consulting on issues of cross-border financial consolidations, US GAAP financial reporting, and SEC reporting and compliance for US-based multi-national, public companies.

While at Tulane, Mr. Chastant's study of the law was concentrated on issues surrounding transaction law, including corporate law, mergers and acquisitions, practical aspects of hostile acquisitions, and corporate taxation. Prior to graduating Tulane, he completed an externship with The Louisiana Supreme Court Clerk of Court, where he was tasked with assisting in an ongoing revision to the Louisiana Supreme Court's Practice and Procedure Rules and assigned a project to begin drafting e-filing rules for the Louisiana Supreme Court.

Today, Mr. Chastant uses his accounting background and his legal expertise in his role as Vice President of Project Development for the Sisung Group. He will serve on this Docket as the secondary point of contact for the LPSC. He and Mr. Sisung will be responsible for coordinating and managing all of our firm's resources for LPSC.



**J. THOMAS MCGUCKIN, PH.D.**

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***Education***

Ph.D., Economics, University of Wisconsin, 1980

M.S. Economics, Colorado State University, 1976

B.A., Pomona College, 1973

***Positions***

Retired Professor of Economics, New Mexico State University

Center for Public Utilities, New Mexico State University

***Professional Experience***

Dr. McGuckin is an expert on utilities in electricity, water, wastewater, natural gas and solid waste. He has provided expert testimony on electrical rates for New Mexico State University in the El Paso Electric Company's General Rate Case in 2011. He has also provided expert testimony to St Lawrence Natural Gas Company for a rate application to the New York Public Service Commission, 2009. He has provided analysis on electrical rate issues for the Maryland Public Service Commission (along with Doug Gegax and Larry Blank), for the City of New Orleans; for the City of Maitland, Florida; for the City of Toledo, KS, for the US-BuRec Western Area Power Administration, and the Attorney General of New Mexico. He has provided expert testimony on water utility issues for the City of Las Cruces, City of Maitland, FL and Town of Edgewood, NM.

Dr. McGuckin has taught undergraduate and graduate classes at New Mexico State University (NMSU) since 1980. He has been an associate for the Center for Public Utilities (CPU) at NMSU. The National Association of Regulatory Utility Commissioners officially sanctions the programs offered by the CPU. He currently teaches the MBA Capstone course BA590. In this course, MBA student teams develop comprehensive business plans for start-up companies.

***Regulatory and Court Appearances***

The New Mexico Public Regulations Commission (Nov. 2011): Represented New Mexico State University before the NMPRC concerning El Paso Electric Company's General Rate Case (09-00171-UT). Contact Joan Drake, Esq., Modrall Sperling, Albuquerque, NM.

The New Mexico Public Regulations Commission (Sept 2007): Written and oral testimony and cross examination on NMPRC inquiry into non capital operating and administration and general costs for New Mexico American Water Company. Contact David Henderson, attorney for the Town of Edgewood (505)820-1515).

The New Mexico Public Regulations Commission (Sept 2004): Exhibits, oral testimony and cross examination on Moongate Water Company's request for service territory definition, September



20<sup>th</sup>, 2004. This case was later appealed to the New Mexico Supreme Court in which Dr. McGuckin's testimony was directly cited by the Court (2006-NMSC-03) which held for Moongate.

Kansas Corporation Commission (March 27, 2002.). Rate filing by Western Resources Inc. Doc #02-WRSE-301-RTS, contact Neal Suess, R.W. Beck Inc., (402) 564-3251.

New Mexico Public Regulation Commission (Nov 2001). Oral testimony on the West Connect Filing for RTO status, Doc #3653, November 6 and 7<sup>th</sup>, 2001, contact Jeff Taylor, NM Office of Attorney General, Santa Fe NM, (505) 827-7484.

US Federal Energy Regulatory Commission on the West Connect Filing, Doc# RT02-1, November 2001, contact Jeff Taylor, NM Office of Attorney General, Santa Fe NM, (505) 827-7484.

Office of the New Mexico State Engineer, Entramosa Water Utility (Jan 1999): Oral testimony on public welfare of a groundwater permit in the Estancia Basin of New Mexico. Contact Liz Taylor, Murray and Taylor Law Firm, Albuquerque, NM, (505) 244-0800.

Office of the New Mexico State Engineer: Oral and written testimony on public welfare of leasing groundwater in the Santa Teresa area. Contact Tom Sandenaw, Sandenaw Law Firm, Las Cruces, NM, (505) 522-7500.

Office of the New Mexico State Engineer, Intel Inc. of Santa Clara, CA (Aug 1997): Oral testimony on public welfare of transfers of water rights. Contact Chuck DuMars; Sheehan, Sheehan and Stelzer, Albuquerque, NM, (505) 247-0411.

US Federal Bankruptcy Court: Catalina Development Inc. of Santa Teresa, NM, (Oct. 1997), oral testimony on the value of groundwater rights. Contact Frank Ainsa, Ainsa and Ainsa Law Firm, El Paso, TX, (915) 845-5300.

Lower Arkansas Water Management Association (LAWMA): Alternative cost and water allocation methods for the lower Arkansas Water Management Association. Because LAWMA's original organizational structure was not responsive to the circumstances and risks created by dry years, LAWMA contracted Dr. McGuckin to evaluate alternative organizational structures - ranging from the current historical allocation of water pumping to a stock based system. The report presents a total of five alternative methods of water and costs allocation (1997). Contact Don Higgins, LAWMA Manager.

### ***Cost of Service and Rate Analysis***

COS Analysis and Rate Design for St Lawrence Natural Gas Company and Testimony to the New York Public Service Commission, NY 08-G-1392, Settlement Agreement 2009, Contact Sharon Gaines, Treasurer, St Lawrence Gas Company, (315) 842-3610.

Revenue Requirements for the Formula Rate Plan in Natural Gas and Electricity, Entergy - New Orleans, Analysis of Formula Rate Plans submitted by Entergy – New Orleans to the City of New Orleans, August 2005.





COS Analysis of Water and Wastewater; report to the City of Maitland FL, Contact Michelle del Valle, Budget Director, (407) 629-5807.

COS Analysis of Gas, Water, Wastewater and Solid Waste: Reports to the City of Las Cruces, Contact Jorge Garcia, Director of Utilities, Las Cruces, NM.

Analysis of Conservation Rates in Truckee Carson Irrigation District: A Report to US Bureau of Reclamation, February 2000.

Incentive Pricing, Best Management Practices for Irrigation Districts, EnWater Resource Consultants and Hydrosphere Inc., U.S. Bureau of Reclamation., July 1998.

### ***Consulting Engagements***

Town of Edgewood, Opposition to water rate increases by the American Water Company – New Mexico, 2007, contact David Henderson, attorney, Santa Fe, New Mexico.

Maryland Regulation Commission, Special advisor to the Commission, 2007.

US Western Area Power Authority, Contact Jack Murray, WAPA, Phoenix AZ.

City of New Orleans, Louisiana, Contact Melissa Lee, Legend Consulting, Denver CO.

City of Maitland Florida, Contact Michele del Valle, Finance Director, Subject Water and Wastewater rates City of Maitland Florida, Contact Michele del Valle, Finance Director, Subject Electrical Deregulation.

City of Las Cruces, Utilities Department, Contact Jorge Garcia Director; Subject Cost of Service for Municipal Rates.

Cost-of-Service Rate Design for the City of Las Cruces Utility Services, for the City of Las Cruces Utility Division, spring 2002 to fall 2003.

Recommended Changes to the New Mexico Electric Utility Industry Restructuring Act: *A Desert Southwest Market Power Analysis*, for the Office of the New Mexico Attorney General, June 2001 to August 2002.

Economic Analysis and Implementation of Customer-Choice and Distribution Unbundling Pilot Program, Texas-New Mexico Power Company, spring 1998 – fall 1999. Contact: Julia Garcia; Subject Electrical Deregulation.

Price and Non-Price Water Conservation Programs for Residential Water Use," American Water Works Association, Spring 1996.

Price and Non-Price Water Conservation Programs for Western Irrigation Districts, October 1995-June 1996, U.S. Bureau of Reclamation.







***Professional and Business Affiliations***

- American Economics Association
- National Association of Regulatory Utility Commissioners

***References***

1. Jorge Garcia, Utilities Director; Las Cruces City Utilities, (505) 528-3511
2. Ari Michelson, Director Texas A&M Research Center – El Paso, (915) 859-9111
3. Jeff Taylor, Assistant Attorney General, Office of the New Mexico Attorney General, (505) 827-7480



**ROYAL ALEXANDER**

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***Education***

Oklahoma City University School of Law—JD

Louisiana State University Shreveport—BA

***Experience***

After law school, he clerked for U.S. District Judge Rebecca F. Doherty in Lafayette, Louisiana and also interned for U.S. District Judge Richard Haik during the voluminous and complex Combustion environmental tort litigation involving CERTCLA/Superfund claims. Mr. Alexander is a frequent lecturer on state and federal constitutional issues, including implication eminent domain, the Takings Clause and Commerce Clause/interstate commerce.

Mr. Alexander has worked in Washington D.C. for three different Members of Congress and also worked for the Federal Motor Carrier Safety Administration. During his tenure in Washington, he worked with the Department of Energy and FERC on several energy related issues. In Addition his work on DOE issues included numerous energy research project e.g. nuclear energy and security, energy tax incentives, and hydropower and geothermal energy. He currently has his private law practice in Shreveport, Louisiana.

The Louisiana Public Service Commission recently engaged Mr. Alexander to investigate Isaac recovery response for Entergy, Cleco, Swepco, Demco and Slemco.

